GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:942
ANSWERED ON:27.07.2001
WORLD BANK LOANS
ALE NARENDRA

Will the Minister of FINANCE be pleased to state:

(a) Whether many States in the country are defaulter of the World Bank as per recent report of Reserve Bank of India;

(b) if so, the details thereof alongwith the names of the States and the amount of default; and

(c) the remedial action taken in this regard?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (GINGEE N. RAMACHANDRAN)

(a) No Sir. States are not allowed to take loans directly from the external agencies including the World Bank and as such default by States to World Bank does not arise. All loans are extended to the GOI and debt service payments are also made bythe GOIto the external donors. No case of default has occurred in debt service payments by GOI to external agencies.

(b) & (c) Does not arise.